



STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

Department of Administration
BUDGET OFFICE
One Capitol Hill
Providence, R.I. 02908-5886

Memorandum

To: The Honorable Steven M. Costantino
Chairman, House Finance Committee

The Honorable Daniel DaPonte
Chairman, Senate Finance Committee

From: Rosemary Booth Gallogly
Executive Director/State Budget Officer *RB Gallogly*

Date: January 14, 2009

Subject: Second Revision to Article 5 for the FY 2009 Supplemental Appropriation Act (09-H-5019)

The Governor requests that Article 5 of the FY 2009 Supplemental Appropriations Act (09-H-5019) be replaced with the new version attached to this memorandum. This amendment replaces the amended Article 5, Relating to Unemployment Insurance Benefits. It was discovered that the incorrect section of law was being amended to modify the severance payments and that it should be 28-44-59, where language exists which is pertinent, not 28-44-19 as originally proposed. The revised version of Article 5, Relating to Unemployment Insurance Benefits, provides an exception to the 75-day rule for former DLT employees proficient in processing unemployment claims. The new Section 2 added to Article 5 allows retired employees with extensive experience in the administration of the unemployment insurance program to be employed or reemployed by the Department of Labor and Training for the purpose of processing claims for not more than 75 working days, or 150 half days, without any forfeiture of, or reduction of, any retirement benefits or allowances through June 30, 2011. No additional contributions or service credits would accrue, compensation would be at the amounts provided for by the collective bargaining agreement, and monthly notice of such employment by the employee and the employer shall be sent to the retirement board. The Governor recommends passage of the 75-day rule exception due to the most recent surge of unemployment applications.

Please accept my apology for any inconvenience this may have caused you or your staff. If you have any questions regarding the Unemployment Insurance article, feel free to call me, or Sandra Powell at 462-8870.

RBG: sm 09-96
cc: Michael O'Keefe
Peter Marino
Brian Stern
Gregory Stack
Mike Cronan
Tim Costa

TDD#: 277-1227

1 (e) In the event that an individual's unemployment is due to a natural disaster or state of
2 emergency, there shall be no waiting period.

3 (f) Notwithstanding the provisions of this section, no waiting period shall be in effect
4 from the date of enactment of this article through June 30, 2009.

5 **§ 28-44-59. Severance or dismissal pay allocation.** – For the purpose of determining an
6 individual's benefit eligibility for any week of unemployment, any remuneration received by an
7 employee from his or her employer in the nature of severance or dismissal pay, whether or not the
8 employer is legally required to pay that remuneration, ~~shall be deemed to be wages paid on the~~
9 ~~last day of employment for services performed prior to that date~~ shall be prorated on a weekly
10 basis beginning with the individual's first week of unemployment.

11 SECTION 2. Section 36-10-36 of the General Laws in Chapter 36-10 entitled
12 "Retirement System – Contributions and Benefits" is hereby amended to read as follows:

13 **§ 36-10-36 Post retirement employment.** – (a) On and after July 7, 1994, no member
14 who has retired under the provisions of titles 16, 36, or 45 may be employed or reemployed by
15 any state agency or department unless any and all retirement benefits to which he or she may be
16 entitled by virtue of the provisions of titles 16, 36 or 45 are suspended for the duration of any
17 employment or reemployment. No additional service credits shall be granted for any post-
18 retirement employment or reemployment and no deductions shall be taken from an individual's
19 salary for retirement contribution. Notice of any such post-retirement employment or
20 reemployment shall be sent monthly to the retirement board by the employing agency or
21 department and by the retired member.

22 (b) Any member who has retired under the provisions of titles 16, 36, or 45 may be
23 employed or reemployed by any municipality within the state, which municipality has accepted
24 the provisions of chapter 21 of title 45 and which participates in the municipal employees'
25 retirement system for a period of not more than seventy-five (75) working days or one hundred
26 fifty (150) half days with half day pay in any one calendar year without any forfeiture of or

1 reduction of any retirement benefits and allowances the member is receiving or may receive as a
2 retired member. Pension payments shall be suspended whenever this period is exceeded. No
3 additional contributions shall be taken and no additional service credits shall be granted for this
4 service. Notice of this employment or re-employment shall be sent monthly to the retirement
5 board by the employer and by the retired member.

6 (c) Any member who has retired under the provisions of title 16, 36, or 45 may be
7 employed or re-employed by any municipality within the state which has not accepted the
8 provisions of chapter 21 of title 45 and which does not participate in the municipal employees'
9 retirement system.

10 (d) Notwithstanding the provisions of this section:

11 (1) Any retired member of the system shall be permitted to serve as an elected mayor, the
12 town administrator, the city administrator, the town manager, the city manager, the chief
13 administrative officer or the chief executive officer of any city or town, city or town council
14 member, school committee member, or unpaid member of any part-time state board or
15 commission or member of any part-time municipal board or commission, and shall continue to be
16 eligible for and receive the retirement allowance for service other than that as a mayor,
17 administrator, council member, school committee member, or member of any state board or
18 commission or member of any part-time municipal board or commission; provided, however, that
19 no additional service credits shall be granted for any service under this subsection;

20 (2) Any retired member who retired from service at any state college, university, state
21 school, or who retired from service as a teacher under the provisions of title 16, or who retired
22 from service under title 36 or title 45, may be employed or reemployed, on a part-time basis, by
23 any state college, university or state school for the purpose of providing classroom instruction,
24 academic advising of students and/or coaching. Compensation shall be provided at a level not to
25 exceed the salary provided to other faculty members employed under a collective bargaining
26 agreement at the institution. In no event shall "part-time" mean gross pay of more than fifteen

1 thousand dollars (\$15,000) in any one calendar year. Any retired member who provides such
2 instruction or service shall do so without forfeiture or reduction of any retirement benefit or
3 allowance; and provided, however, that no additional service credits shall be granted for any
4 service under this subsection;

5 (3) Any retired member who retired from service as a teacher under the provisions of title
6 16, or as a state employee who while an active state employee was certified to teach driver
7 education by the department of elementary and secondary education or by the board of governors
8 for higher education, may be employed or reemployed, on a part-time basis, by the department of
9 elementary and secondary education or by the board of governors for higher education for the
10 purpose of providing classroom instruction in driver education courses in accordance with § 31-
11 10-19 and/or motorcycle driver education courses in accordance with § 31-10.1-1.1. In no event
12 shall "part-time" mean gross pay of more than fifteen thousand dollars (\$15,000) in any one
13 calendar year. Any retired teacher who provides that instruction shall do so without forfeiture or
14 reduction of any retirement benefit or allowance the retired teacher is receiving as a retired
15 teacher; provided, however, that no additional service credits shall be granted for any service
16 under this subsection; and

17 (4) Any retired member who retired from service as a registered nurse may be employed
18 or reemployed, on a per diem basis, for the purpose of providing professional nursing care and/or
19 services at a state operated facility in Rhode Island. In no event shall "part-time" mean gross pay
20 of more than twelve thousand dollars (\$12,000) in any one calendar year. Any retired nurse who
21 provides such care and/or services shall do so without forfeiture or reduction of any retirement
22 benefit or allowance the retired nurse is receiving as a retired nurse; provided, however, that no
23 additional service credits shall be granted for any service under this subsection.

24 (5)(a) Any retired member who retired from service with the department of labor and
25 training, is proficient in the processing of unemployment insurance claims, as established by the
26 department, and has extensive experience working in the administration of the unemployment

1 insurance program may be employed or reemployed by the department for the purpose of
2 processing unemployment insurance claims. In no event shall any member work for a period of
3 more than seventy-five (75) working days, or one hundred fifty (150) half days with half day pay,
4 in any one fiscal year without any forfeiture of or reduction of any retirement benefits and
5 allowances that he or she is receiving or may receive. Pension payments shall be suspended
6 whenever such periods are exceeded. Compensation shall be provided at a level not to exceed the
7 salary provided to others covered by the collective bargaining agreement. No additional
8 contributions shall be taken and no additional service credits shall be granted for this service.
9 Notice of this employment or re-employment shall be sent monthly to the retirement board by the
10 employer and by the retired member.

11 (b) The provisions of § 36-10-36(d)(5)(a) shall expire on June 30, 2011, unless otherwise
12 extended.

13 SECTION 3. This article shall take effect upon passage.